

**North San José Traffic Impact Fee Fund****Fund 349****PURPOSE OF THE FUND:**

City Council adopted the June 2005 North San José Area Development Policy authorizing the intensification of development subject to and within the boundaries of the North San José Area Development Policy. The potential intensification of development within the policy area will allow for the development of a maximum of 26,700,000 square feet of new industrial office/research and development space, a maximum of 1,700,000 square feet of new commercial space, and a maximum of 32,000 new residential units.

It is the intent and purpose of the City Council in adopting this chapter to provide in part for the major traffic improvements deemed necessary as a result of the adoption of the June 2005 North San José Area Development Policy through the adoption of a North San José Traffic Impact Fee to be charged to all new industrial and residential development subject to the policy in the manner specified in the June 2005 North San José Traffic Impact Fee Plan.

**AUTHORITY FOR THE FUND:**

San José Municipal Code sections 14.29.010 through 14.29.050. Revenue and expenditure estimates are budgeted via Council funding sources resolution and appropriation ordinance, respectively.

**SOURCE OF FUNDS:**

- Investment Earnings
- Interest Earnings
- Grant Revenues

- A. Commencing on July 28, 2005, prior to the issuance of any building permit for industrial or residential development in the North San José Area Development Policy Boundary, the North San José Traffic Impact Fee shall be paid in the following amount based upon the use of land:

<u><i>Land Use</i></u>	<u><i>Fee</i></u>
Industrial:	\$10.44 per sq. ft. of building space
Residential:	
Single-Family Detached	\$6,994.00 per dwelling unit
Multi-Family Attached	\$5,596.00 per dwelling unit

- B. The North San José Area Traffic Impact Fee specified in subsection A shall be increased by 3.3 percent per annum compounded on July 1 of every odd numbered year.
- C. No building permit shall be issued for industrial or residential construction within the North San José Area Development Policy Boundary unless and until the North San José Traffic Impact Fee has been paid in full.

**North San José Traffic Impact Fee Fund****Fund 349****FUND RESTRICTIONS:**

While the use of moneys within this fund is not subject to Proposition 218, certain moneys in this fund may be restricted by other policies and guidelines, which are described below.

The San José Municipal Code states that all North San José Traffic Impact Fees shall be deposited into the designated North San José Traffic Impact Fee Fund. The North San José Traffic Impact Fee Fund, including accrued interest, shall be subject to all of the applicable provisions of Government Code Section 66000 et seq., including but not limited to the requirements for accounting, reporting, and expenditure of the fund for the improvements specified in the North San José Traffic Impact Fee Plan.

**LEAD RESPONSIBILITY:**

- Public Works Department
- Department of Transportation

**FINANCIAL INFORMATION AND LOCATION:****Comprehensive Annual Financial Report (CAFR) Designation:**

Governmental Fund-Special Revenue

**Budget Location:**

Adopted Capital Budget and Capital Improvement Program (Traffic Capital Program)

**Funding Sources Resolution and Appropriation Ordinance Location:**

TBD (Fund is not budgeted in 2007-2008, however expenditures are programmed in 2008-2009 in the 2008-2012 Traffic Capital Improvement Program)